

LEND-LEASE ¹

Preliminary agreement signed at Washington July 24, 1942

Entered into force July 24, 1942

56 Stat. 1570; Executive Agreement Series 263

Whereas the Government of the United States of America and the Royal Yugoslav Government declare that they are engaged in a cooperative undertaking, together with every other nation or people of like mind, to the end of laying the bases of a just and enduring world peace securing order under law to themselves and all nations;

And whereas the Government of the United States of America and the Royal Yugoslav Government, as signatories of the Declaration by United Nations of January 1, 1942,² have subscribed to a common program of purposes and principles embodied in the Joint Declaration made on August 14, 1941 by the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain and Northern Ireland, known as the Atlantic Charter;³

And whereas the President of the United States of America has determined, pursuant to the Act of Congress of March 11, 1941,⁴ that the defense of Yugoslavia against aggression is vital to the defense of the United States of America;

And whereas the United States of America has extended and is continuing to extend to the Royal Yugoslav Government aid in resisting aggression;

And whereas it is expedient that the final determination of the terms and conditions upon which the Royal Yugoslav Government receives such aid and of the benefits to be received by the United States of America in return therefor should be deferred until the extent of the defense aid is known and until the progress of events makes clearer the final terms and conditions and benefits which will be in the mutual interests of the United States of America and Yugoslavia and will promote the establishment and maintenance of world peace;

¹ See also lend-lease settlement agreement of July 19, 1948 (TIAS 1779, *post*, p. 1273).

² EAS 236, *ante*, vol. 3, p. 697.

³ EAS 236, *ante*, vol. 3, p. 686.

⁴ 55 Stat. 31.

And whereas the Government of the United States of America and the Royal Yugoslav Government are mutually desirous of concluding now a preliminary agreement in regard to the provision of defense aid and in regard to certain considerations which shall be taken into account in determining such terms and conditions and the making of such an agreement has been in all respects duly authorized, and all acts, conditions and formalities which it may have been necessary to perform, fulfill or execute prior to the making of such an agreement in conformity with the laws either of the United States of America or of Yugoslavia have been performed, fulfilled or executed as required;

The undersigned, being duly authorized by their respective Governments for that purpose, have agreed as follows:

ARTICLE I

The Government of the United States of America will continue to supply the Royal Yugoslav Government with such defense articles, defense services, and defense information as the President of the United States of America shall authorize to be transferred or provided.

ARTICLE II

The Royal Yugoslav Government will continue to contribute to the defense of the United States of America and the strengthening thereof and will provide such articles, services, facilities or information as it may be in a position to supply.

ARTICLE III

The Royal Yugoslav Government will not without the consent of the President of the United States of America transfer title to, or possession of, any defense article or defense information transferred to it under the Act of March 11, 1941 of the Congress of the United States of America or permit the use thereof by anyone not an officer, employee, or agent of the Royal Yugoslav Government.

ARTICLE IV

If, as a result of the transfer to the Royal Yugoslav Government of any defense article or defense information, it becomes necessary for that Government to take any action or make any payment in order fully to protect any of the rights of a citizen of the United States of America who has patent rights in and to any such defense article or information, the Royal Yugoslav Government will take such action or make such payment when requested to do so by the President of the United States of America.

ARTICLE V

The Royal Yugoslav Government will return to the United States of America at the end of the present emergency, as determined by the President of the United States of America, such defense articles transferred under this Agreement as shall not have been destroyed, lost or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America.

ARTICLE VI

In the final determination of the benefits to be provided to the United States of America by the Royal Yugoslav Government full cognizance shall be taken of all property, services, information, facilities, or other benefits or considerations provided by the Royal Yugoslav Government subsequent to March 11, 1941, and accepted or acknowledged by the President on behalf of the United States of America.

ARTICLE VII

In the final determination of the benefits to be provided to the United States of America by the Royal Yugoslav Government in return for aid furnished under the Act of Congress of March 11, 1941, the terms and conditions thereof shall be such as not to burden commerce between the two countries, but to promote mutually advantageous economic relations between them and the betterment of world-wide economic relations. To that end, they shall include provision for agreed action by the United States of America and the Royal Yugoslav Government, open to participation by all other countries of like mind, directed to the expansion, by appropriate international and domestic measures, of production, employment, and the exchange and consumption of goods, which are the material foundations of the liberty and welfare of all peoples; to the elimination of all forms of discriminatory treatment in international commerce, and to the reduction of tariffs and other trade barriers; and, in general, to the attainment of all the economic objectives set forth in the Joint Declaration made on August 14, 1941, by the President of the United States of America and the Prime Minister of the United Kingdom.

At an early convenient date, conversations shall be begun between the two Governments with a view to determining, in the light of governing economic conditions, the best means of attaining the above-stated objectives by their own agreed action and of seeking the agreed action of other like-minded Governments.

ARTICLE VIII

This Agreement shall take effect as from this day's date. It shall continue in force until a date to be agreed upon by the two Governments.

Signed and sealed at Washington in duplicate this twenty-fourth day of July 1942.

For the Government of the United States of America:

CORDELL HULL [SEAL]

*Secretary of State
of the United States of America*

For the Royal Yugoslav Government:

M. NINTCHITCH [SEAL]

*Minister of Foreign Affairs
of Yugoslavia*